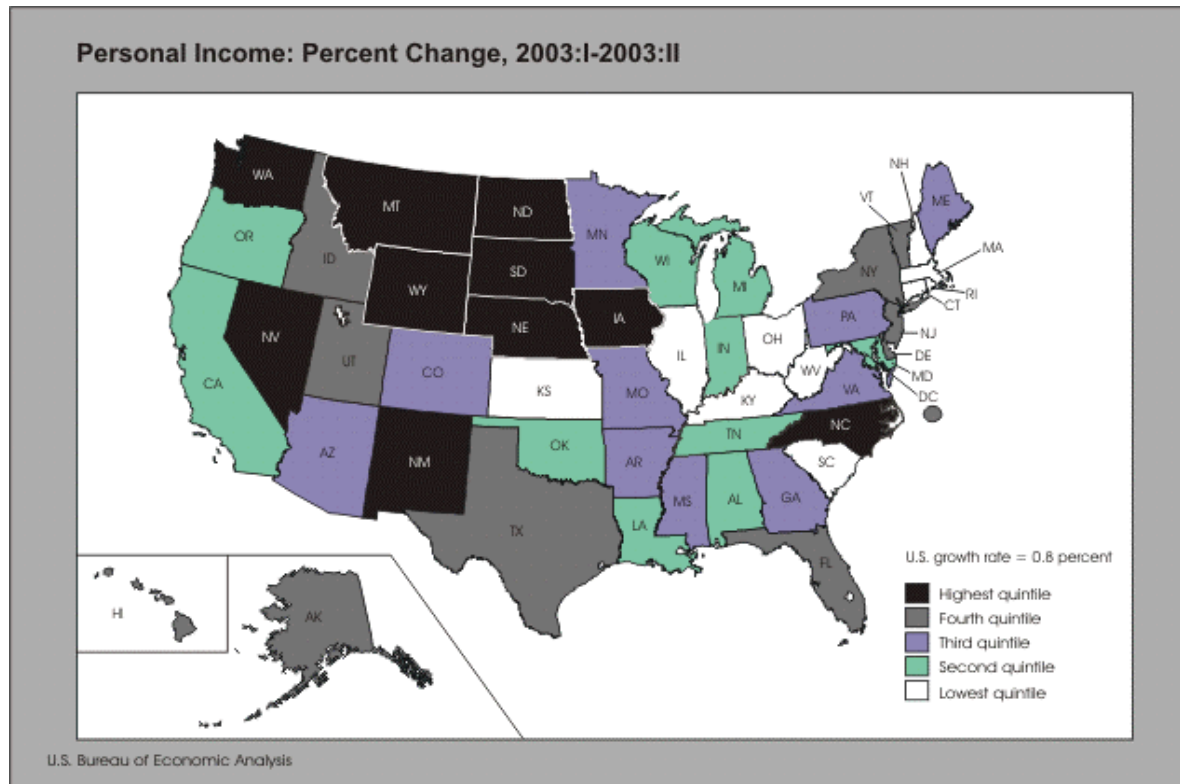


Personal Income Growth in the States, Second Quarter 2003

Personal income for the nation grew 0.8 percent in the second quarter of 2003, the same rate as in the previous quarter. Led by above average growth in the volatile natural resources and mining sector, 6 of the 10 fastest growing states in the second quarter of 2003 were in the Plains and Rocky Mountain regions.



Net earnings increased 0.8 percent nationally, and in all states except Rhode Island. Nationally, earnings grew in every industry except durable goods manufacturing and leisure and hospitality.

- Fast growth in farm earnings was particularly important in the Plains states, notably in North Dakota, South Dakota, Nebraska, and Iowa—all of which were among the ten fastest growing states.

Transfer payments increased a strong 1.8 percent for the nation, slightly faster than in the previous quarter.

- Unemployment benefit payments, the most volatile component of transfer payments, increased 6.5 percent nationally in the second quarter of 2003 after declining 3.4 percent in the first quarter.
- Unemployment benefits grew in 41 states, with North Carolina, Idaho, and Indiana registering gains of more than 20 percent.

Property income (dividends, interest, and rent) increased 0.1 percent nationally in the second quarter, with 38 states sharing in that gain.

BEA's data—including GDP, personal income, the balance of payments, foreign direct investment, the input-output accounts, and economic data for states and industries—are available on its Web site: www.bea.gov.

NOTE: Estimates of state personal income for the third quarter of 2003 will be released on January 27, 2004.

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